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PP RUEHGR
DE RUEHWN #0801/01 1692100
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P 182100Z JUN 07
FM AMEMBASSY BRIDGETOWN
TO RUEHC/SECSTATE WASHDC PRIORITY 4962
INFO RUCNCOM/EC CARICOM COLLECTIVE PRIORITY
RUEHDS/AMEMBASSY ADDIS ABABA PRIORITY 0085
RUCPDO/DEPT OF COMMERCE WASHDC PRIORITY
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RUMIAAA/HQ USSOUTHCOM J2 MIAMI FL PRIORITY
RUMIAAA/HQ USSOUTHCOM J5 MIAMI FL PRIORITY

UNCLAS SECTION 01 OF 02 BRIDGETOWN 000801

SIPDIS

SIPDIS

EEB/IFD/OIA FOR HEATHER GOETHERT
L/CID FOR SAM MCDONALD
ADDIS ABBABA FOR ANTHONY FISHER

E.O. 12958: N/A

TAGS: [CASC](#) [EINV](#) [KIDE](#) [OPIC](#) [PGOV](#)

SUBJECT: 2007 EXPROPRIATION REPORT: ST. KITTS AND NEVIS

REF: STATE 55422

Summary

¶1. (SBU) The United States Government is aware of one (1) outstanding and eight (8) new claims of United States persons against the Government of St. Kitts and Nevis (GOSKN). End Summary.

Claimant Designation

¶2. (U) Claimant A

Date of Expropriation

¶3. (U) 1985

Case History

¶4. (SBU) In 1985, Claimant A acquired title to property in St. Kitts from the owner of a sugar plantation who preferred to pass title to Claimant A rather than be forced to sell under the Global Settlement program. Within months of the purchase, the GOSKN notified the original property owner that it was acquiring the land for public purposes and sent payment for the land. The original owner returned the money to the GOSKN, stating that Claimant A was the new owner of the land. Over the next two decades, the GOSKN and Claimant A unsuccessfully tried to reach a settlement and engaged in their efforts the Board of Arbitration, the World Bank's Multilateral Investment Guarantee Agency (MIGA), and the U.S. Embassy at different times. In the meantime, the GOSKN reportedly sold some of the disputed land to Ross University, an American veterinary school run by DeVry, Inc.

¶5. (SBU) On June 14, 2007, Embassy Bridgetown spoke with Claimant A regarding the current status of his case. Claimant A informed the Embassy that in April 2007 his compensation case was brought before the St. Kitts and Nevis lower court to determine the value for his property. Claimant A told the Embassy that the judge ruled that the property's value be based on the &agricultural8 value of the land, rather than its &economic development8 value. Claimant A told the Embassy that he and his attorney are in the process of appealing the decision at the Eastern Caribbean Court of Appeals.

Claimant Designation

¶6. (U) Claimant B, C, D, E, F, G, H, and I

Date of Expropriation

¶7. (U) 2006 (New)

Case History

¶8. (SBU) In November 2006, Embassy Bridgetown received a series of complaints from Claimants B, C, D, E, F, G, H, I, and J who were subject to the Government of St. Kitts and Nevis, (GOSKN) September 2006 expropriation of their properties in the Angelus Resort and Spa, a 108-unit combination hotel and condominium complex on St. Kitts, Frigate Bay. Initially, property owners requested advice to protect their investments. Post advised complainants to seek local legal counsel, but some responded that attorneys in St. Kitts were not interested in taking their cases.

¶9. (SBU) The GOSKN expropriated the Angelus resort in September 2006 through a resolution of the National Assembly because of the resort management's unmet commitment to develop the property, as well as its inability to pay its creditors and service providers. The GOSKN reportedly plans to sell the property to a corporation that would develop a five-star hotel on the site, directly across the street from the 573-room St. Kitts Marriott Resort and Royal Beach

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Casino.

¶10. (SBU) In February 2007, the GOSKN Attorney General's Office designated the Comptroller of Inland Revenue, Beverly Williams, as the point of contact for the Angelus property owners. Embassy Bridgetown provided the Comptroller's contact information to the owners, along with a list of attorneys. According to Williams, Inland Revenue collected information from the owners about their property titles and value. However, Embassy Bridgetown continues to receive complaints from the property owners about the lack of information regarding the GOSKN compensation plans and unwillingness to meet.

¶11. (SBU) In an April 23, 2007, telephone conversation, Williams informed the Embassy that her office has been conducting a survey of the property in order to arrive at a fair market value⁸ for each unit and once finalized, will inform the property owners. Williams stated that if the Attorney General approves, the property owners will be contacted, but did not give any time frame for a decision. The Embassy contacted property owners on May 4 to explain the conversation with Williams and to suggest that the property owners should contact the Attorney General to ensure sufficient compensation.

¶12. (SBU) Embassy officials made several attempts in May and June 2007 to follow up with Williams, but Williams has not yet returned any of the Embassy's phone calls.

¶13. (SBU) Claimant A: Loris S. James. He is an American citizen, and has not signed a Privacy Act Waiver. Claimant B: Howard Cooper. He is an American citizen and has not signed a Privacy Act Waiver. Claimant C: Maureen Hayes. She is an American citizen and has not signed a Privacy Act Waiver. Claimant D: Dana Harper Herbert. She is an American citizen and has not signed a Privacy Act Waiver. Claimant E: Gail Hunter. She is an American citizen and has not signed a Privacy Act Waiver. Claimant F: Joe Mitchell. He is an American citizen and has not signed a Privacy Act Waiver. Claimant G: Steve Mueller. He is an American

citizen and has not signed a Privacy Act Waiver. Claimant H:
Christine Robinson. She is an American citizen and has not
signed a Privacy Act Waiver. Claimant I: Sean Wischover.
He is an American citizen and has not signed a Privacy Act
Waiver.
GILROY